

Snapshot

Home Care in the U.S.

What is Home Care?

Professional home care workers support their elderly and disabled clients with activities of daily living. This workforce enables their clients to remain in their homes and supports their clients' family members to participate in the labor force.

Growing Need for Home Care Workers



51 million

people 65 and older in the U.S.¹

By 2030, this population is projected to increase by 39%, to **71 million**.²



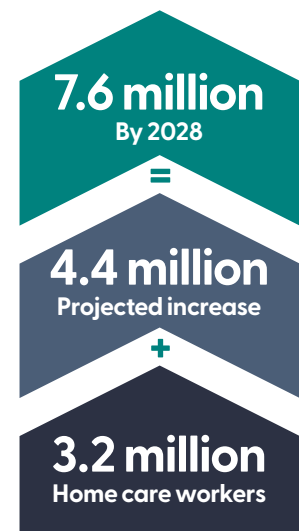
40 million

additional disabled individuals in the U.S. who could potentially benefit from personal support workers in their homes.³

Rapidly Growing Occupation

Home care is one of the largest and fastest growing occupations, but the need exceeds the supply, drawing unpaid family caregivers from full-time employment to help fill the gap.

- + There are **3.2 million** professional home care workers in the U.S.⁴
 - + This occupation has grown **92%** over the past 10 years in the U.S.
- + the U.S. is projected to add an additional **4.4 million** home care jobs by 2028.⁵
- + Due to high turnover, each year there are projected to be **627,700** home care job openings in the U.S.



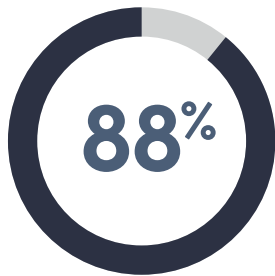
Rising Revenues, Persistent Low Wages, High Costs of Home Care

- + The annual median cost of home care in the U.S. is **\$54,912**,⁶ up from **\$52,179** in 2009.⁷ This has translated into rising revenues, while low wages persist.
- + Home care industry revenues are **\$109.6B** and projected to increase by **5.1%** annually.⁸
- + In 2019, the U.S. home care workers received a median hourly wage of **\$12.15/hour** and a median annual income of **\$27,860**.
 - + This rose to **\$13.02/hour** and **\$28,060** annually in 2020,⁹ though this increase may be temporary as pandemic subsidies expire.¹⁰

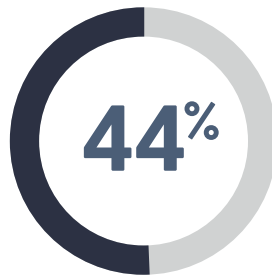


Worker Demographics

The U.S. home care workforce is disproportionately composed of women of color and immigrant women. Their median age is 50.¹¹

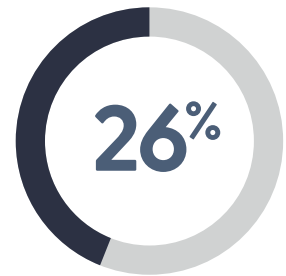


Women



People of Color

38% being women of color

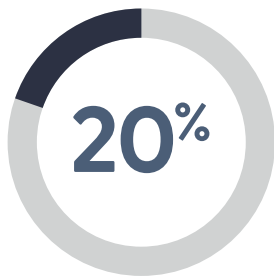


Foreign-Born

Economic Impacts and Racial & Ethnic Disparities

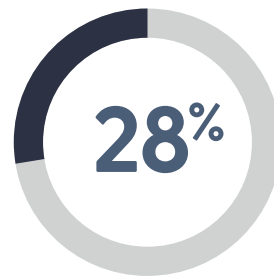
Home care worker turnover is 65% per year.¹² Recruitment and retention of workers in this rapidly growing occupation can help support the U.S. economy.

- + Professional home care workers help family members—especially women—to remain in the workforce,¹³ but many families are waiting to receive this support.
 - + **199,508** elderly and disabled individuals are waitlisted for home care Medicaid waivers in the U.S.¹⁴
- + Studies have found that raising wages for home care workers leads to lower costs from reduced turnover and from workers' reliance on public safety net programs.¹⁵
- + Low wages result in thousands of the U.S. home care workers living in poverty:¹⁶



Home care workers live in poverty including:

25%	■	of Black workers
23%	■	of Hispanic workers
13%	■	of Asian workers
16%	■	of White workers



Home care workers receive food stamps including:

36%	■	of Black workers
37%	■	of Hispanic workers
20%	■	of Asian workers
21%	■	of White workers

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Disclaimer

The views expressed here are those of the authors and not necessarily those of the Federal Reserve Bank of San Francisco or the Federal Reserve System.

Endnotes

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For additional state profiles and more on this topic, please visit: sfed.us/homecare